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**ANNUAL AUDITED REPORT
FORM X-17A-5
PART III**

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING 07/01/07 AND ENDING 06/30/08
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: BENJAMIN SECURITIES INC.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

378 SOUTH OYSTER BAY ROAD

(No. and Street)

HICKSVILLE

(City)

NY

(State)

11801

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

LOUISE STELIANOUDAKIS CPA (Name - if individual, state last, first, middle name)
64 FULTON STREET - SUITE 703
NEW YORK, NY 10038

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

- ☒ Certified Public Accountant
☐ Public Accountant
☐ Accountant not resident in United States or any of its possessions.

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*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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OATH OR AFFIRMATION

I, LEO J. BENJAMIN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of BENJAMIN SECURITIES, INC, as of JUNE 30, 20 08, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

PAUL VONBEVERN
Notary Public, State of New York
No. 01V06100632
Qualified in Nassau County
My Commission Expires 06/21/20 11

Notary Public

Leo J. Benjamin
Signature
President
Title

This report ** contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☒ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

**For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

BENJAMIN SECURITIES, INC.

* * * * *

FINANCIAL STATEMENTS

JUNE 30, 2008

BENJAMIN SECURITIES, INC.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Benjamin Securities, Inc.:

I have audited the accompanying balance sheet of Benjamin Securities, Inc. as of June 30, 2008, and the related statements of income, changes in stockholders' equity, and cash flow for the year then ended. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Benjamin Securities, Inc. as of June 30, 2008, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

My audit has been made primarily for the purpose of forming the opinion stated in the preceding paragraph. The data contained in Schedules I, II and III, although not considered necessary for a fair presentation of financial position, are presented as supplementary information and have been subjected to the audit procedures applied in the examination of the basic financial statements. In my opinion, this data is fairly stated in all material respects in relation to the basic financial statements, taken as a whole.

Louise Stelianoudakis

August 8, 2008

BENJAMIN SECURITIES, INC.

BALANCE SHEET

JUNE 30, 2008

A S S E T S

Current assets:

Cash and cash equivalents	\$ 81,296
Marketable securities, at market value	120,785
Commissions receivable	70,671
Prepaid expenses	<u>1,517</u>

Total current assets	274,269
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Furniture and equipment (net of accumulated depreciation of \$171,442)	6,798
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Security deposit	<u>3,795</u>
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\$284,862

LIABILITIES AND STOCKHOLDERS' EQUITY

Current liabilities:

Accounts payable and accrued expense	\$ 33,806
Taxes payable	<u>5,000</u>

Total current liabilities	<u>38,806</u>
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Deferred taxes on income	<u>700</u>
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Stockholders' equity:

Common stock - no par value:

Authorized - 20 shares

Issued and outstanding - 10 shares	500
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Paid in capital	98,950
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Retained earnings	143,317
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Unrealized gain on marketable securities (net of income taxes)	<u>2,589</u>
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Total stockholders' equity	<u>245,356</u>
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\$284,862

The accompanying notes are an integral part of the financial statements.

BENJAMIN SECURITIES, INC.

STATEMENT OF INCOME

FOR THE YEAR ENDED JUNE 30, 2008

Revenue:

Commissions	\$ 766,554
Advisory fees	188,742
Income from investments	45,612
Rebate of N.A.S.D. fees	35,000
Postage and handling	<u>24,926</u>

Total revenue 1,060,834

Expense:

Clearing fees	92,105
Back office charges	34,288
Commissions (Note 2)	498,749
Professional fees	13,387
Salaries	155,992
Taxes-payroll	24,836
Travel & entertainment	1,870
Insurance	49,089
Equipment rental	6,711
Automobile expense	29,671
Telephone	16,178
Rent	37,000
Advertising	555
Dues & subscriptions	5,501
Depreciation and amortization	2,643
Office expense	48,318
Contributions	1,242
Medical reimbursement	943
Internet	4,698
Repairs and maintenance	<u>15,950</u>
Total expenses	<u>1,039,726</u>

Income before taxes on income 21,108

Taxes on income:

State	1,735
Federal	<u>3,750</u>
	<u>5,485</u>

Net income \$ 15,623

The accompanying notes are an integral part of these financial statements.

BENJAMIN SECURITIES, INC
CHANGES IN STOCKHOLDERS' EQUITY
YEAR ENDED JUNE 30, 2008

	<u>Total</u>	<u>Common stock</u>	<u>Paid-in capital</u>	<u>Retained earnings</u>	<u>Unrealized gain on marketable securities</u>
July 1, 2007	\$288,488	\$ 500	\$ 98,950	\$140,087	\$ 48,951
Net income	15,623			15,623	
Unrealized loss on marketable securities	(59,822)				(59,822)
Deferred taxes	8,900				8,900
Adjustment				(4,560)	4,560
Dividend paid	<u>(7,833)</u>	<u> </u>	<u> </u>	<u>(7,833)</u>	<u> </u>
June 30, 2008	<u>\$245,356</u>	<u>\$ 500</u>	<u>\$ 98,950</u>	<u>\$143,317</u>	<u>\$ 2,589</u>

The accompanying notes are an integral part of these financial statements.

BENJAMIN SECURITIES, INC.

STATEMENT OF CASH FLOW

FOR THE YEAR ENDED JUNE 30, 2008

	<u>Increase (decrease) in cash</u>
Cash flow from operating activities:	
Net income	\$ <u>15,623</u>
Adjustments to reconcile net income to net cash from operating activities:	
Depreciation and amortization	2,643
Change in assets and liabilities:	
Receivables and other assets	6,200
Accounts payable and accrued expense	<u>(19,344)</u>
Total adjustments	<u>(10,501)</u>
Net cash from operating activities	<u>5,122</u>
Cash flow from investing activities:	
Purchase and sale of marketable securities - net	67,687
Purchase of equipment	<u>(2,217)</u>
Net cash from investing activities	<u>65,470</u>
Cash flow from financing activities:	
Dividends paid	<u>(7,833)</u>
Net increase in cash	62,759
Cash and cash equivalents at beginning of year	<u>18,537</u>
Cash and cash equivalents at end of year	<u>\$ 81,296</u>

The accompanying notes are an integral part of these financial statements.

BENJAMIN SECURITIES, INC.

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2008

NOTE 1 - STATEMENT OF ACCOUNTING POLICIES:

Securities transactions are recorded in the accounts on a settlement date basis, generally the third business day after the trade date.

For purpose of the statement of cash flows, the Company considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents.

NOTE 2 - COMMISSION EXPENSES:

Commissions represent amounts paid to account executives based on a percentage of the business they generate for the company. Included in this amount are payments to the officers of the company. A breakdown is as follows:

Officers' commissions	\$333,193
Other salesmen	<u>165,556</u>
Total	<u>\$498,749</u>

NOTE 3 - RELATED PARTY TRANSACTIONS:

The Company paid rent of \$37,000 to a limited partnership of which a stockholder of the Company acts as the general partner.

NOTE 4 - PROFIT SHARING PLAN:

The corporation adopted a simplified profit-sharing plan effective July 1, 1998. Employees with two years of service are eligible to participate with immediate vesting.

NOTE 5 - NET CAPITAL REQUIREMENTS:

As a member of the National Association of Securities Dealers, Inc., the corporation is subject to the net capital rule (SEC Rule 15c3-1) adopted and administered by the Association. The rule prohibits a member from engaging in securities transactions at a time when its "aggregate indebtedness" exceeds 15 times its "net capital" as those terms are defined by the rule. As of June 30, 2008, the corporation's net capital ratio was .180 to 1 and its net capital was \$215,334 compared with minimum net capital required of \$100,000.

SCHEDULE I

BENJAMIN SECURITIES, INC.

COMPUTATION OF NET CAPITAL

JUNE 30, 2008

Total ownership equity from balance sheet	\$245,356
Less: Non-allowable assets	<u>12,110</u>
Capital before haircuts	233,246
Less: Haircut on investments	<u>17,912</u>
Net capital	<u>\$215,334</u>

COMPUTATION OF BASIC NET CAPITAL REQUIREMENT

JUNE 30, 2008

Minimum net capital required	\$ <u>2,540</u>
Minimum dollar net capital requirement	<u>\$100,000</u>
Net capital requirement (greater of above)	<u>\$100,000</u>
Excess net capital	<u>\$115,334</u>
Excess net capital at 1000%	<u>\$111,454</u>

COMPUTATION OF AGGREGATE INDEBTEDNESS

JUNE 30, 2008

Total liabilities	\$ 39,506
Less: Deferred taxes on income	<u>700</u>
Aggregate indebtedness	<u>\$ 38,806</u>
Percentage of aggregate indebtedness to net capital	<u>18.0%</u>
Percentage of debt to equity total computed in accordance with Rule 15c3-(d)	<u>N/A</u>

SCHEDULE II

BENJAMIN SECURITIES, INC.

EXEMPTION CLAIMED OF RESERVE REQUIREMENT

UNDER RULE 15c3-3

JUNE 30, 2008

Benjamin Securities, Inc. operates under the k(2)(b) exemptive provision to SEC Rule 15c3-3, as all customer transactions are cleared on a fully disclosed basis through another registered broker/dealer, First Clearing, LLC. Benjamin Securities, Inc. appeared to be in compliance with this exemption throughout the year.

SCHEDULE IIIBENJAMIN SECURITIES, INC.RECONCILIATION PURSUANT TO RULE 17a-5(d)(4)JUNE 30, 2008

	<u>Ownership</u> <u>equity</u>	<u>Non-allowable</u> <u>assets and</u> <u>haircuts</u>	<u>Net</u> <u>Capital</u>	<u>Aggregate</u> <u>indebtedness</u>	<u>Ratio</u>
Balance per Focus 11A	\$235,791	\$ 32,073	\$203,718	\$51,122	25.0%
Reclassification	(1,000)	(1,000)			
Adjustment to corporate taxes	2,716		2,716	(2,716)	
Deferred taxes on unrealized stock profits	8,900		8,900	(9,600)	
Adjust depreciation	<u>(1,051)</u>	<u>(1,051)</u>	<u> </u>	<u> </u>	<u> </u>
Balance per schedule I	<u>\$245,356</u>	<u>\$ 30,022</u>	<u>\$215,334</u>	<u>\$38,806</u>	<u>18.0%</u>

To Benjamin Securities, Inc.:

I have examined the financial statements of Benjamin Securities, Inc. as of June 30, 2008 and have issued my report thereon dated August 8, 2008. As part of my examination, I reviewed and tested the system of internal accounting control to the extent I considered necessary to evaluate the system as required by auditing standards generally accepted in the United States of America and by Rule 17a-5 under the Securities and Exchange Act of 1934. Rule 17a-5 contemplates that the scope of the review and tests should be sufficient to provide reasonable assurance that any material weaknesses existing at the date of my examination would be disclosed. Under these standards and that Rule the purpose of such evaluation is to establish a basis for reliance thereon in determining the nature, timing and extent of other auditing procedures that are necessary for expressing an opinion on the financial statements and to provide a basis for reporting material weaknesses in internal control.

The objective of internal accounting control is to provide reasonable, but not absolute, assurance as to the safeguarding of assets against loss from unauthorized use or disposition, and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable control should not exceed the benefits derived and also recognizes that the evaluation of these factors necessarily requires estimates and judgements by management. However, for the purpose of this report under Rule 17a-5, the cost-benefit relationship has been disregarded in determining weaknesses to be reported.

There are inherent limitations that should be recognized in considering the potential effectiveness of any system of internal accounting control. In the performance of most control procedures, errors can result from misunderstanding of instruction, mistakes of judgment, carelessness, or other personal factors. Control procedures whose effectiveness depend upon segregation of duties can be circumvented by collusion. Similarly, control procedures can be circumvented intentionally by management with respect either to the execution and recording of transactions or with respect to the estimates and judgements required in the preparation of financial statements. Further, projection of any evaluation of internal accounting control to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, and that the degree of compliance with the procedures may deteriorate.

My study and evaluation of the system of internal accounting control for the period ended June 30, 2008, which was made for the purposes set forth in the first paragraph above and which would not necessarily disclose all weaknesses in the system which may have existed during the period under review, disclosed no weaknesses that I believe to be material.

I did not find any material weaknesses in internal accounting control or a condition which would reasonably be expected to (a) inhibit the company from promptly completing securities transactions or promptly discharging its responsibilities to customers, other broker/dealers or creditors; (b) result in material financial loss; (c) result in material misstatements of the company's financial statements; or (d) result in violation of the SEC's record keeping or financial responsibility rules to an extent that could reasonably be expected to result in the conditions described in (a), (b) or (c) above.

Louise Stelianoudakis

August 8, 2008